

LOS ANGELES AIR FORCE BASE SAMS INITIATIVE REQUEST FOR PROPOSALS (RFP)

AMENDMENT #1

Following is a summary of the changes to the RFP resulting from this amendment.

MAIN RFP DOCUMENT:

1. SAMS Additive/Deletive Items

Page 6: The following options were deleted: items # 6 - Club Ballroom, #7 - Reduce conference space 5,000 SF, and #8 - Reduce Conference space an additional 5,000 SF. (The remaining additive/deletive items options were renumbered.)

2. SAMS PROJECT SCHEDULE

Page 8: Updated to correct the date to 38 months

3. PHASE I - SUBMITTAL REQUIREMENTS

Page 9: Page count for Financial Strategy Increased to 20.

Page 9: EXECUTIVE SUMMARY:

Paragraph a) previously used term Developer changed to Offeror for consistency throughout RFP.

Paragraph a) i) following sentence added: "In addition, please differentiate between the Offeror and team members."

Paragraph a) ii) the word construction added as follows: "The company or development/management team with which the Air Force would enter into an agreement for the development, **construction**, ownership, operation and/or management of the proposed project."

Paragraph b) previously used term Developer changed to Offeror for consistency throughout RFP.

New subparagraph c) added as follows: "Describe the means in terms of equity, debt and land monetization that will fund the SAMS Project requirements."

Page 9: VOLUME II - PAST PERFORMANCE

Page 10: Paragraph b) Teaming Information. The word "members" has been added to phrase "teaming partners" as follows: teaming partners/**members** proposed for this project.

Page 10: Paragraph c) iii) Cost Narrative has been changes as follows:

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Cost Narrative.

(1) Discuss in detail the reasons for the differences between proposed and actual cost at delivery/completion, if any. Delineate between customer-requested changes and those under contractor control. Discuss how project was financed, the amount financed, name the lending institutions, and identify alternate forms of financing (including public support).

(2) Provide credit references to demonstrate financial capacity for capital access, such as debt, equity. Discuss and describe the credit facilities associated with these projects. In addition, list the general guarantees/support, construction completion guarantees/support and credit support mechanisms for such credit facilities.

Page 11: VOLUME IV – FINANCIAL STRATEGY

Page 11: Financial Strength. The term certified financial statements is changed by adding the phrase "audited and" as follows: This information shall be in the form of: 1) if a public company, provide an independently audited and certified financial statements for the last three (3) years or if a private interest, or other entity provide audited and certified financial statements and a balance sheet certified by the company's chief financial officer (CFO)

Page 12: Financial Strength. The following sentence is added to the second paragraph of this section: An Offeror must demonstrate that the project can be financed fully out of its own resources and creditworthiness without allocating risk to the Air Force.

Page 12: Financial Strength. The first sentence of the third paragraph of this section is revised to read as follows: "Financial information must be submitted for the proposing investor and/or developer if such entities are different and for any parent or holding company of the proposing investor/developer."

Page 12: Preliminary Project Financial Plan. The two paragraphs of this section are revised as highlighted in the following: Provide a preliminary project financial plan, to include a statement of sources and uses of funds in the requested format (See **Appendix C** – Formats for Financial Proposal, for Phase I). Offerors must demonstrate ability to raise sufficient private sources of funds to complete the proposed transaction, including if required, leasehold financing supported by a lease with the Air Force for the new Air Force buildings constructed by the developer. A lease can not exceed a ten (10) year term. Offerors also must demonstrate ability to raise sufficient private sources of funds if required for the project or in the event no local government financial participation is secured. Provide preliminary term sheets and financing commitment letters for both equity (if appropriate) and debt that fully describe the project financing as well as credit support, risk mitigation, and recourse arrangements (these documents are exempt from page count limitations). These financing and commitment letters must contain a statement by the provider that they are highly confident

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that the Offeror as well as the project are financible based on the submitted Preliminary Project Financial Plan and the RFP with attachments. Offerors must justify basic assumptions with market comparables, rates, and/or other appropriate data. Such data to include the cost of capital, debt and particular attention to the economics and timing of the land parcel(s) monetization. In addition, Offerors are instructed to identify and describe all applicable tax issues associated with their respective proposals, including an economic impact assessment of such issues. Include if necessary a description of the nature and extent of Air Force participation expected.

Also, describe the methodology used to calculate the estimated amount and type of private developments that can be supported on the Air Force-conveyed land, given the availability of local government funding, rezoning, and other project parameters. The project is dependant on the value derived from the land parcels and therefore a detailed presentation of underlying value, timing of conveyance for sale, the rezoning process for extracting value, and all other relevant issues is required. Accordingly, Offerors will fully document their interactions with local government authorities (such documents are exempt from page count limitations and fully describe such matters as they relate to their proposal and the value proposition to the Air Force. This information will be used to evaluate the proposal risk associated with obtaining project financing and the feasibility of the amount and type of private developments proposed for construction on the Air Force-conveyed land.

4. PHASE I - EVALUATION FACTORS

Page 14: Paragraph 1) FACTOR 1 - PAST PERFORMANCE, subparagraph d) is revised to read as follows:

SUBFACTOR 3 Cost Performance. The requirement is met when

- (1) Either the completed facility cost is not more than 105% of the proposed cost or the deviation has a satisfactory explanation; and
- (2) Offeror demonstrates that it has successfully accessed capital and debt for projects.

Page 16: Paragraph 2) FACTOR 2 - PRELIMINARY PROJECT CONCEPT, subparagraph b) SUBFACTOR 1 - FINANCIAL STRATEGY:

Financial Strength is revised by adding the sentence " The Offeror is financible." as the second sentence of the item that begins "Satisfactory evidence that the company ..."

Preliminary Project Financial Plan. is revised as follows:

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By adding the sentence " The Project is financible." as the second sentence of the item that begins "The sources and amounts can be secured.

By inserting the word "timing" into the fourth listed item so as to read as follows:
"The assumptions, **timing**, and preliminary estimates on which strategy is based are clearly identified and consistent with current market conditions."

By adding a fifth item to read as follows: "A commercially reasonable and documented approach to local government and tax matters."

APPENDIX A

Page 6: Decreased the Area (SF) for the consolidated Club to 20,000 SF.

Page 27: The number of parking spaces for specific building/ areas on area "B" have been estimated in the table below. All of the parking requirements below are surface parking except for the 1000 spaces **in the SAMS Complex parking structure**.

Area B Parking	Spaces
SAMS Complex (1000 structure and 100 surface)	1100
Consolidated Support Center (ABG Building)	275
Child Development Center	34
Medical Clinic	86
Fitness Center	8
Base Exchange	400
Commissary	288
Visitor's Center	11
GOV	60

APPENDIX B

1.0 BASIC INSTRUCTIONS TO OFFERORS

Page 3: subparagraph (c) (3) Submission, modification, revision, and withdrawal of proposals, subparagraph (i), the proposal due date for Phase I is revised to read 10 Sep 01.

Page 12: OFFEROR COVER LETTER, paragraph 2 is revised to read as follows: "Review of amendment #1 is acknowledged."

APPENDIX C

PHASE I SUBMITTAL REQUIREMENTS:

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Page 2: Section 1. Sources of Funds is revised as highlighted below:

AF Property Values * (show values for \$_____ each parcel and methodology for determining each value in attached sheets)

Area A	\$_____
Lawndale Annex	\$_____
Sun Valley	\$_____

Local Government Financial Participation, \$_____ if any (attach correspondence and explanations)

Other Financial Sources (explain) \$_____

1. Debt (attach prelim. term sheets and prelim. financing commitment letters)
2. Equity (attach explanation of source, term sheets, prelim. commitment letters, if appropriate [third party])
3. Other

Number
of Years \$ per Year

AF Lease (Total) \$_____ \$_____ (attach term sheets)

Page 10: The following options were deleted: items # 5 - Performance bond and # 7 - Club Ballroom (The remaining additive/deletive items options were renumbered.)

APPENDIX D

Page 11: Paragraph 5.5, the ratings table is revised as follows:

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Rating	Definition
Most Relevant (MR) 5	Past performance projects involved the magnitude and complexity specified and are essentially what the solicitation requires (i.e. mid-rise office buildings in campus like setting, business arrangements that limit customer's exposure to cost growth).
Acceptable (A) 3	Past performance projects involved the magnitude and complexities specified and include most of what the solicitation requires.
Marginal (M) 1	Past performance projects involved some of the magnitude and complexities specified and include some of what the solicitation requires.
Not relevant (NR) 0	Past performance projects did not involve any aspects of what the solicitation requires.